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SUBJECT: MEDIA REACTION: McCain Visit, President Obama, Ren Min Bi

Editorial Quotes

1. McCain Visit

"McCain said that China has become a "superpower"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(04/10): McCain arrived in Beijing on 8th for his Asian "survey trip". He indicated during a press conference on April 9th that China had become a "superpower" and "China's importance is becoming more obvious". Therefore, there are "more discussions about G-2". But his remarks are questioned among Chinese internet users. According to a survey conducted by Huanqiu website (www.huanqiu.com), 68% of the internet users think that "there are gaps between China and a superpower". McCain also mentioned the "USS Impeccable" incident in the South China Sea, saying that "we have confidence to avoid similar accidents through dialogue". Niu Xinchun, from Chinese Institute of Contemporary International Relations, told the Global Times that McCain is trying to put a label on China with such a saying. Niu says that McCain intentionally moves the nature of this issue to another side, indicating that China put obstacles for the American vessel. But the American vessel was aimed to spy on China. We hope that since America is willing to have a comprehensive cooperation with China, America should not spy on China. As for G-2, Niu says that it is practical to believe that the major global issues can only be solved through U.S.-China cooperation. But it is an exaggerated saying that U.S. and China should jointly lead the world through the G-2. It is not in line with China's diplomatic concept.

2. President Obama

"Obama's bow provokes conservatives"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(04/10): Obama "bowed" to the leader of Saudi Arabia, King Abdullah during the London summit. This provokes American conservatives. Obama was condemned that he "belittled America's power and independence". There were heated discussions in the global media about his "bow". A Chinese expert says that Obama is trying to make America's strategy less rude and some countries have expressed their cautious welcome on this. But the reaction of conservatives shows that Obama has a long and rough way to go. Zhang Lili, from China Foreign Affairs University, says that the conservatives' attack Obama about this issue from the perspective of national interests and moral aspects. This is consistent with the conservatives' traditional attitudes of being tough. But what is behind these criticisms reflect the blowback for Obama's recent policy adjustments. These adjustments dissatisfy the military interest group, which leads to more intense criticisms. The world needs to encourage Obama's policy adjustments because if the relations between the U.S. and other countries change into constant sum game instead of a zero-sum game, the pressure put on many countries will be reduced.

13. Ren Min Bi

"Commentary - Don't be too quick to say the RMB can contend with the U.S. dollar"

The official Communist Youth League newspaper China Youth Daily (Zhongguo Qingnianbao) 04/10): China has started a trial in 5 cities using the RMB for overseas settlements. Actually, using the RMB as a trade settlement has already started since 2007. The RMB became one of the most important regional currencies. But it is not realistic to think the RMB can have the same role as the U.S. dollar in the international currency system. There have to be 3 prerequisites for the RMB to become as important as the dollar. One is the nation's overall economic power. China's total economic volume and exporting & importing trade volume are far from America's. America is still the only superpower. Second has to be a mature reserve currency mechanism. The current exchange rate mechanism and frame are not fully developed. Third it has to have all the necessities such as financial management regulation capacity, awareness of the financial regulations, and the supervision capacity, and so on. Euro currency has been circulated for 10 years and still fails to contend with USD due to the insufficiencies of relative supporting financial necessities. Therefore, we should steadily process RMB's internationalization based on China's practical situation.

Weinstein